GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1638
ANSWERED ON:12.12.2003
ISSUE OF EXPORT OBLIGATION DISCHARGE CERTIFICATE
CHARAN DAS MAHANT

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of EODC (Export Obligation Discharge Certificat

(e) of EPCG licenses, which have not been issued due to delay in receiving nexus by Central Licensing Authority of DGFT;

(b) whether DGFT, Central Licensing Authority, New Delhi is justified in its action in the matter; and

(c) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI S.B. MOOKHERJEE)

(a) to (c): Export Obligation Discharge Certificates (EODC) are issued by the concerned licensing authorities on the completion of export obligation imposed as part of the conditions of grant of EPCG licence.Before grant of such certificates, the licensing authorities concerned have to verify fulfillment of export obligation through export in conformity with the nexus of the product with the machinery imported under the Scheme.

Prior to 1-4-2003, the Exim Policy had fixed a time limit of six months for certification for nexus under the said scheme.This has since been reduced to two months. In addition, the power for deciding nexus have been delegated to the regional licensing authorities for all EPCG licences involving duty saved amount upto to Rs. 50 crores vide Public Notice No. 26 dated 30-9-2003 in order to ensure quick disposal of such cases.

Disposal of applications for grant of EODC is an on going process.While all efforts are made for quick disposal of such applications, disposal is dependent on submission of all relevant data and documentation in support of fulfillment of export obligation.